

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL****FOR: HEALTH CARE FINANCING ADMINISTRATION**

1. TRANSMITTAL NUMBER:

0 3 — — — 1 1

2. STATE:

Michigan

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL
SECURITY ACT (MEDICAID)TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

October 1, 2003

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 440.225

7. FEDERAL BUDGET IMPACT:

a. FFY 04 \$ (13.8M)

b. FFY 05 \$ (13.8M)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Supplement to Attachment 3.1-A
pages 16, 17, 24.1 and 25bchanged 10/27/03
per state request9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):Supplement to Attachment 3.1-A
pages 16, 17, 24.1 and 25b

changed 10/27/03 per state request

10. SUBJECT OF AMENDMENT:

elimination of optional services for non-EPSDT beneficiaries
(podiatry, chiropractic, hearing aids and adult dental)

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL☒ OTHER, AS SPECIFIED:Paul Reinhart, Deputy Director for
Medical Services Administration

12. SIGNATURE OF STATE AGENCY OFFICIAL:



13. TYPED NAME:

Paul Reinhart

14. TITLE:

Deputy Director

15. DATE SUBMITTED:

9-17-2003

16. RETURN TO:

Medical Services Administration
Program Policy - Federal Liaison Unit
400 South Pine - 7th Floor
Lansing, Michigan 48933

Attn: Nancy Bishop

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

9/19/03

18. DATE APPROVED:

11/18/03

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

20. SIGNATURE OF REGIONAL OFFICIAL:



21. TYPED NAME:

Cheryl A. Harris

22. TITLE: Associate Regional Administrator
Division of Medicaid and Children's Health

23. REMARKS:

RECEIVED

SEP 19 2003

DMCH - MI/MN/WI

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State: MICHIGAN

***Amount, Duration and Scope of Medical and Remedial Care
Services Provided to the Categorically and Medically Needy***

5. Physician Services (continued)

- g. **Laboratory services** performed in the physician's office are limited to those determined to be reasonable and appropriate for that site, and to a payment amount determined to be adequate to cover those procedures. Other laboratory services are covered upon determination by the department to be medically necessary for the setting and specific patient.
- h. **Physical therapy services** as defined in 1.a of this attachment.

6. Medical Care Furnished by Practitioners within the Scope of their Practice as Defined by State Law

No payment will be made for services of staff in residence or medical staff functioning in an administrative capacity for a hospital or nursing care facility, including practitioner-owners. In relation to outpatient services, practitioner fees for covered services are payable only when such payment does not duplicate payment to the facility.

a. Podiatrist's Services:

Covered services are those provided to individuals under the EPSDT program.

b. Optometrists' Services:

Covered services include:

- a. Complete eye examination if medically necessary. Examinations which exceed a frequency of once every two years, must be documented as medically necessary.
- b. The following corrective lenses; some of which require prior authorization:
 - i. single vision or multi-focal eyeglasses;
 - ii. cataract lenses;
 - iii. contact lenses, evaluations and services
 - iv. special lenses, as specified by the department.

TN NO.: 03-11

Approval Date: NOV 18 2003

Effective Date: 10/01/2003

Supersedes
TN No.: 94-25

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State: MICHIGAN

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6. Medical Care Furnished by Practitioners within the Scope of their Practice as Defined by State Law (continued)

b. Optometrists' Services (continued):

- 3) Orthoptic and low vision evaluations, services and aids (which must be prior authorized).

Requirements relative to the provision of eyeglasses are described in item 12.d of this attachment.

c. Chiropractors' Services:

Chiropractic x-rays and spinal manipulations are covered under the EPSDT program.

d. Other Practitioners' Services:

~ Oral Surgeons

Services provided by a licensed oral surgeon are covered as follows:

1. for hospital inpatients under the conditions specified in item 1.c;
2. for treatment provided on a hospital outpatient basis or, in the office for treatment of conditions specified in item 1.c.1) a).

~ Certified Nurse Anesthetists (CRNAs)

Services provided by registered nurses certified by the council on Certification of Nurse Anesthetists or re-certified by the Council on Re-certification of Nurse Anesthetists are covered. Services are limited to those provided on an inpatient or outpatient basis and reimbursement is directed through the employing or contracting hospital.

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10. DENTAL SERVICES

Services provided within the scope of his/her profession, as defined by State law by a licensed dentist, are

A. covered for beneficiaries under the EPSDT program as follows:

1. Diagnostic and therapeutic services necessary to diagnose and treat conditions relating to a specific medical problem. Approval for these services will be given only when the physician and the dentist concur that the dental care is critical to the treatment of the medical problem for which the attending physician is treating the client.
2. Emergency treatment such as extraction of teeth or palliative treatment for relief of pain or acute infection.
3. Examinations and preventive and therapeutic services as needed for relief of pain and infections, restoration of teeth and maintenance of dental health.
4. Preparation for, adjustments to, and repair of necessary dentures as described in item 12.b. of this attachment.

B. covered for eligible beneficiaries 21 years of age and older, but limited to emergency treatment such as extraction of teeth or palliative treatment for relief of pain or acute infection.

(Note: pages 22 thru 23 have been deleted. The next page is 24.)

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State: MICHIGAN

***Amount, Duration and Scope of Medical and Remedial Care
Services Provided to the Categorically and Medically Needy***

12. Drug Products, Dentures, Prosthetic and Orthodic Devices, Eyeglasses (continued)

a. Drug Products (continued)

7. A drug use review program, including prospective and retrospective drug utilization review, has been implemented in compliance with federal law.
8. Claims management is electronic, in compliance with federal law.
9. The state is in compliance with Section 1927 of the Social Security Act. Based on the requirements for Section 1927 of the Act, the state has the following policies for the supplemental rebate program for the Medicaid population:
 - (A) A rebate agreement between the state and a drug manufacturer for drugs provided to the Medicaid population, submitted to CMS on January 15, 2002 and entitled "State of Michigan Supplemental Drug Rebate Agreement" has been approved by CMS.
 - (B) Supplemental rebates received by the State in excess of those required under the national drug rebate agreement will be shared with the Federal government on the same percentage basis as applied under the national drug rebate agreement.
 - (C) All drugs covered by the program, irrespective of a prior authorization requirement, will comply with provisions of the national drug rebate agreement.

b. Dentures

Dentures are a covered benefit for recipients under the EPSDT program if determined necessary by a licensed dentist (Item 10 of this attachment) to correct masticatory deficiencies likely to impair general health. Prior authorization is required. If the client has an existing denture, replacement is permissible only if the existing denture cannot be relined or rebased, whether or not the existing denture was obtained through the Michigan Medical Assistance Program.

Reimbursement for complete or partial dentures includes the costs of any necessary adjustments within six months of insertion. Dentures will be replaced when medically necessary. Prior authorization is required.

c. Prosthetic and Orthotic Devices

Such devices are provided under the following conditions only:

1. when provided to a hospital inpatient, upon a physician's order indicating that the device is essential to the client's medical treatment plan; or,
2. when prior authorized as medically necessary and provided on an outpatient basis or for a recipient in a long term care facility.

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TN No. 02-19

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of Michigan

***Amount, Duration and Scope of Medical and Remedial Care
Services Provided to the Categorically and Medically Needy***

12. Drug Products, Dentures, Prosthetic and Orthotic Devices, Eyeglasses (continued)

h. Hearing Aids

Under the EPSDT program, hearing aids and accessories are provided under the following conditions:

- A physician provides medical concurrence that there are no contraindications to the use of a hearing aid(s). A medical concurrence must be within six months prior to dispensing the hearing aid(s).
- An audiologist possessing a current Certificate of Clinical Competence or Letter of Equivalency from the American Speech-Language Hearing Association must complete a written recommendation for the hearing aid. Services must be provided under the auspices of (and be billed by) a Medicaid enrolled outpatient hospital or hearing and speech center.

Prior approval is not required for "standard" hearing aids if hearing loss meets Medicaid criteria. If the hearing loss does not meet the criteria or if the hearing aid is not "standard," the hearing aid dealer must obtain prior approval.

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TN No. 02-05